



CUSHMAN &
WAKEFIELD

Port Lands Don Mouth Naturalization Project Due Diligence Revenue Projections Update

May 26, 2016



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Overview

Cushman & Wakefield – Valuation & Advisory has been retained to complete:

- An update of its 2012 Port Lands office, retail and residential condominium market demand forecast, focusing on the Villiers Island Neighbourhood and Film Studio District.
 - The 2012 projection initially covered a 20 year (2012 to 2031) period, but was expanded to 30 years (2012 to 2041), with development commencing early in that timeframe.
 - The current (2016) update covers the 20 year period between 2023 and 2042, which in turn is based upon both historic trends and projections for the 2015 to 2022 period, as well as the development pipeline as of 2016.
- An order-of-magnitude projection of the revenues potentially achievable from the disposition of City Owned lands from 2023 to 2042, which is provided within this Report.
- A Development Charge Projection report was prepared by Hemson Consulting using the C&W forecast.

Revenue Projections

Results – \$2023

Revenue Projections Summary Table				
Net Present Value (\$ 2023)				
	@ Discount Rate of 7%		@ Discount Rate of 14%	
	(\$ millions)	(\$ psf)	(\$ millions)	(\$ psf)
Portlands	\$183 to \$253	\$24 to \$34	\$109 to \$151	\$15 to \$20
Residential	\$148 to \$211	\$26 to \$37	\$82 to \$118	\$15 to \$21
Non - Residential	\$35 to \$43	\$18 to \$22	\$27 to \$33	\$14 to \$18
Municipal	\$154 to \$214	\$24 to \$33	\$95 to \$131	\$15 to \$20
Residential	\$124 to \$177	\$26 to \$37	\$70 to \$101	\$15 to \$21
Non - Residential	\$30 to \$37	\$19 to \$23	\$25 to \$30	\$15 to \$19
Private Sector	\$28 to \$39	\$25 to \$35	\$14 to \$20	\$13 to \$18
Residential	\$24 to \$34	\$28 to \$41	\$12 to \$17	\$14 to \$20
Non - Residential	\$4 to \$5	\$15 to \$19	\$3 to \$3	\$9 to \$11

- The disposition of the publically owned Port Lands (within Villiers Island and the Film Studios) is projected to generate approximately \$154 to \$214 million in 2023 present value (assuming a 7% discount rate) or \$95 to \$131 million PV (assuming a 14% discount rate), over the 2023 – 2042 (20 year) timeframe.

Revenue Projections

Results – \$2015

Revenue Projections Summary Table				
Net Present Value (\$ 2015)				
	@ Discount Rate of 7%		@ Discount Rate of 14%	
	(\$ millions)	(\$ psf)	(\$ millions)	(\$ psf)
Portlands	\$106 to \$148	\$14 to \$19	\$38 to \$53	\$5 to \$7
Residential	\$86 to \$123	\$15 to \$22	\$29 to \$41	\$5 to \$7
Non - Residential	\$20 to \$25	\$11 to \$13	\$10 to \$12	\$5 to \$6
Municipal	\$90 to \$125	\$14 to \$19	\$33 to \$46	\$5 to \$7
Residential	\$72 to \$103	\$15 to \$21	\$25 to \$35	\$5 to \$7
Non - Residential	\$18 to \$22	\$11 to \$13	\$9 to \$11	\$5 to \$7
Private Sector	\$16 to \$23	\$15 to \$20	\$5 to \$7	\$4 to \$6
Residential	\$14 to \$20	\$16 to \$24	\$4 to \$6	\$5 to \$7
Non - Residential	\$3 to \$3	\$9 to \$11	\$1 to \$1	\$3 to \$4

- The disposition of the publically owned Port Lands (within Villiers Island and the Film Studios) is projected to generate approximately \$90 to \$125 million in \$2015 present value (assuming a 7% discount rate) or \$33 to \$46 million PV (assuming a 14% discount rate), over the 2023 – 2042 (20 year) timeframe.

Background and Scope of Work

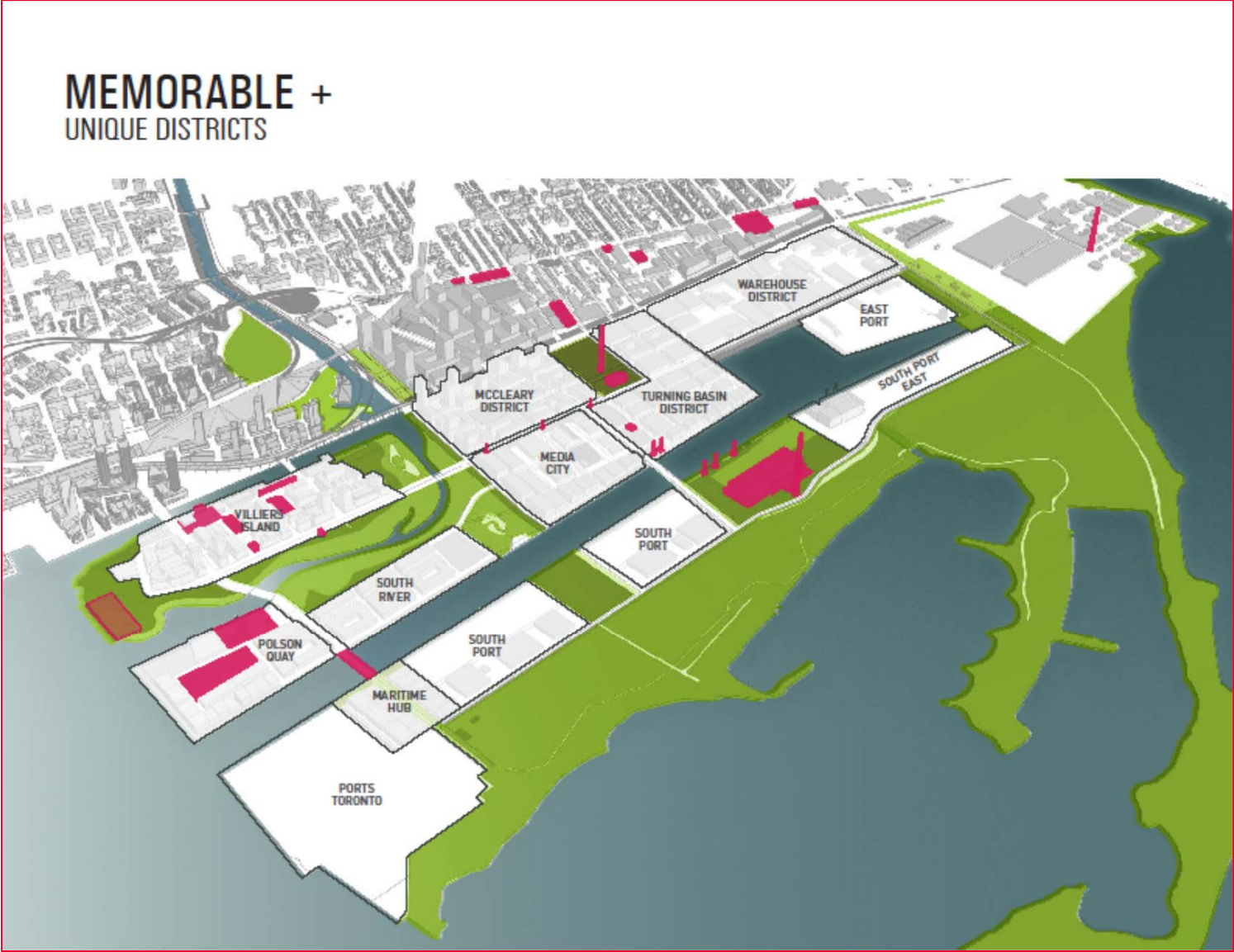
Background

General

- Waterfront Toronto and the City of Toronto planning and coordinating development for over approximately 218.1 acres of Port Lands, inclusive of 35.5 acres within the Villiers Island and 56.8 acres within the Film Studio precincts.
- This Report focuses on the Villiers Island and Film Studio precincts.
- Villiers Island has approximately 5.6 million sf of development density, including 4.5 million sf of residential (4,820 units) and 1.1 million sf of non-residential development density.
- The Film Studio precincts have approximately 5,424 residential units and 4.6 million sf non-residential development potential.
- The map and table that follows this page provides a breakdown of development potential, by land use and precinct.

Background

Port Lands Districts



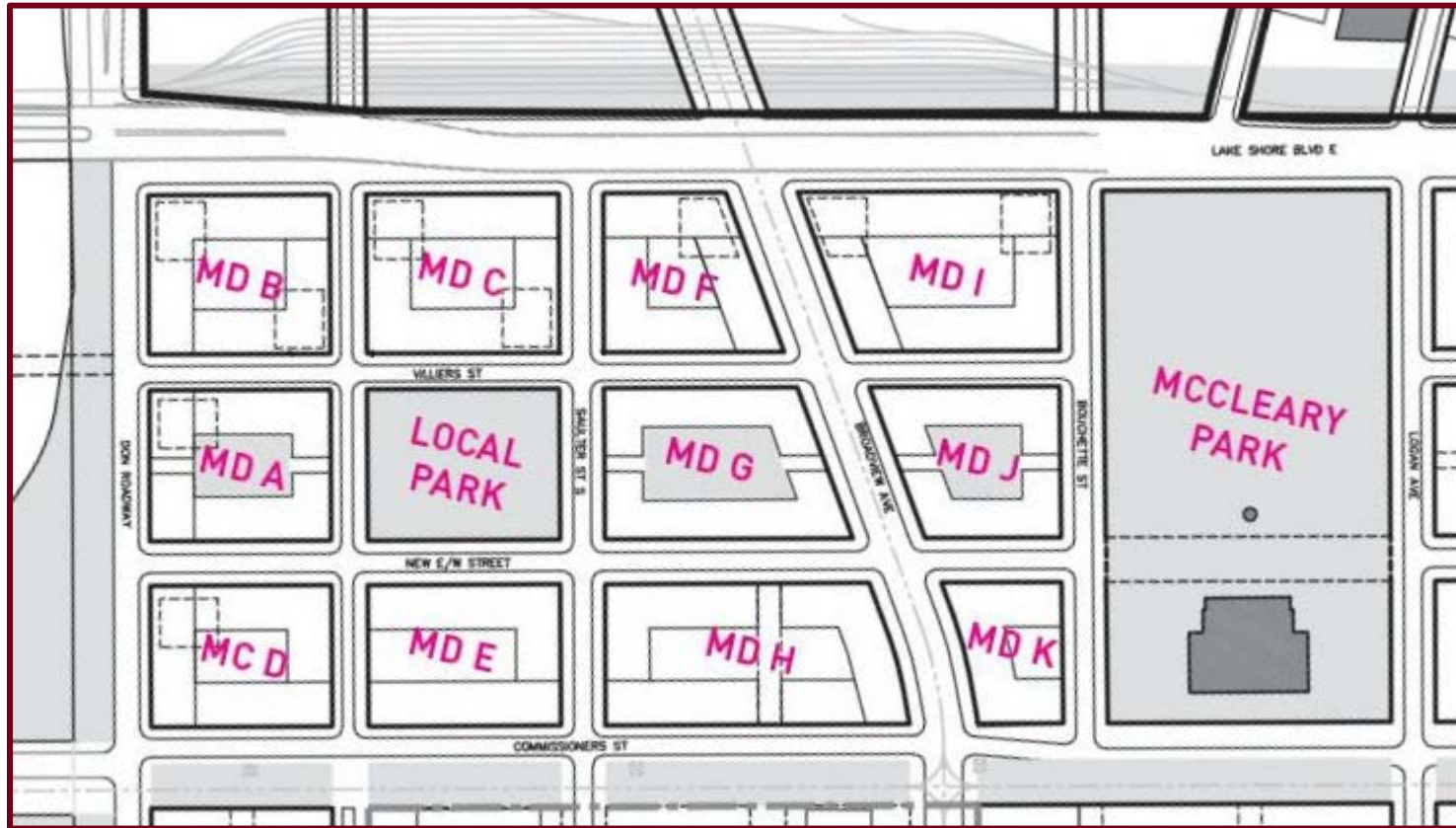
Background

Villiers Island Neighbourhood Development Parcels



Background

McCleary District Development Parcels (within the broader Film Studios District)



Background

Villiers Island Neighbourhood and Film Studio District Land Use Capacity Context

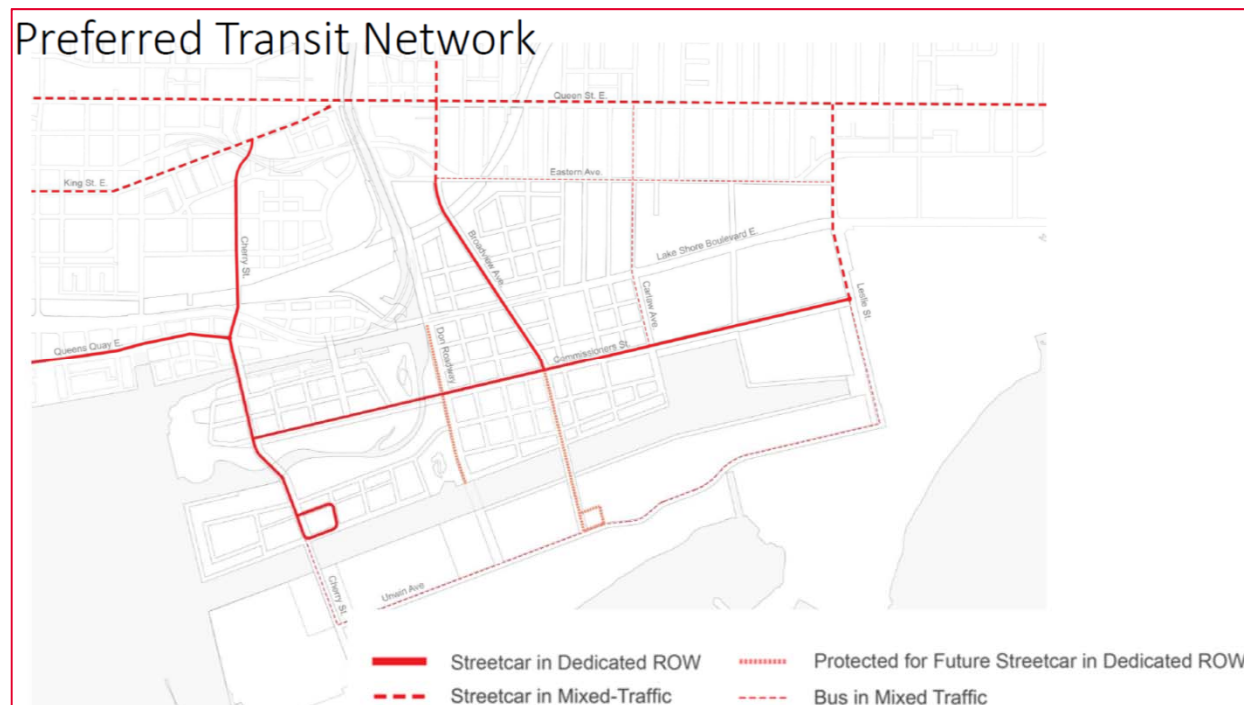
Development Density Breakdown (square feet unless otherwise indicated)						
Lower Don Lands	Acres	Residential Units	Retail	Office	Other Non-Res GFA	Total Employment GFA
Villiers Island	35.5	4,820	169,275	788,033	171,643	1,128,950
Film Studio District	56.8	5,424	519,664	930,935	3,169,256	4,619,855

Source: City Planning Division / Waterfront Toronto

Background

Higher Order Transit Access

- We have assumed that Villiers Island will be accessible by BRT during the first 10 years of the projection period (2023-2032), followed by LRT during the remaining 10 years (2033-2042).
- As illustrated in the following map, over the longer term our projections assume that the Villiers Island and the Film Studios precincts will have access to a Streetcar that functions within a dedicated ROW, connecting to Downtown Toronto via Queens Quay East.
- We have further presumed that a single SmartTrack and/or GO Transit Regional Express Rail station will be located along the rail corridor, somewhere between Parliament Street and Queen Street East.



Scope of Work

- Cushman & Wakefield provided residential condominium, office and retail serviced land density value benchmarks for the Villiers Island and Film Studio areas.

The land value benchmarks are based upon C&W knowledge and experience. Limited tables of representative land sales were provided to support the above, using Realnet as a data source; no further investigation and verification of the land sales was completed.

- We then considered how these values will grow, as the Villiers Island Neighbourhood and the Film Studio District are developed.
- Accordingly, we broadly looked at land values (and growth) in various emerging, stable and mature areas of the City and the GTA.
- C&W then projected (over 20 years) land density sale revenues and development charge revenues that could potentially be realized by the City of Toronto, using the demand projections provided earlier in this report.
- The preceding projections excluded revenues that might flow from the disposition of affordable housing and community facility land density, as these land costs (and facilities) are often funded by the City of Toronto.

Scope of Work

- To be clear, we focused on the land disposition revenues that will likely flow to the City of Toronto (only) from City Owned Lands.
- We then present valued the above cash flows at appropriate risk adjusted discount rates (7% and 14%).
- A Development Charge Projection report was prepared and separately delivered by Hemson Consulting, using the C&W demand forecast.

Scope of Work

Key Assumptions and Limiting Conditions

- It is most important to recognize that Cushman and Wakefield was retained to complete high level, order of magnitude indications of value, for the purposes of Port lands revenue projection.
- Cushman & Wakefield was not retained to complete a formal appraisal or an opinion of value, as might be completed by either an appraiser or a broker.
- Cushman & Wakefield relied upon all of the documentation and information provided by Waterfront Toronto and the City of Toronto, and did not verify the information for accuracy. Accordingly, we recommend that the reader verify this information.

Benchmark Land Values

Benchmark Land Values

Methodology

- Cushman & Wakefield identified neighbourhoods and precincts that are located within the City of Toronto, which transitioned (over time) from large blocks of underdeveloped (generally industrial) land to become vibrant mixed use areas. We sought to identify the year that each neighbourhood/precinct resembled the Study Area and/or Villiers Island (“the Subject Land Area”), in terms of its infrastructure investment and planning status, and the broader nature and character of development within and surrounding the neighbourhood/precinct.
- We examined land value trends in these neighbourhoods/precincts from 1997 (the earliest date of land sales data availability) onwards, focusing on land values as of the aforementioned comparison year.
- We further adjusted the aforementioned neighbourhood/precinct land values to reflect the locational differences between each neighbourhood/precinct and the Subject Land Area.
- We further adjusted each land sale to reflect value increases to 2015, using a 4.25% compound annual rate, which is the midpoint between normal (2.5%) value growth and the historic 6% condominium sales price growth rate experienced within the above neighbourhoods. We then inflated land values from 2015 to 2023, at a more conservative 2.5% inflation rate, as future land value growth trends are less predictable or certain.
- The preceding analysis provided us with residential condominium density land value benchmarks.
- Retail land density was assumed to be part of broader condominium developments and is thereby valued at residential density levels..

Benchmark Land Values

Methodology

- Office land values were separately analyzed
- The above process is not fully empirical; experienced judgment is required.
- The result is broad land value density benchmarks and trends, rather than precise values.

Benchmark Land Values

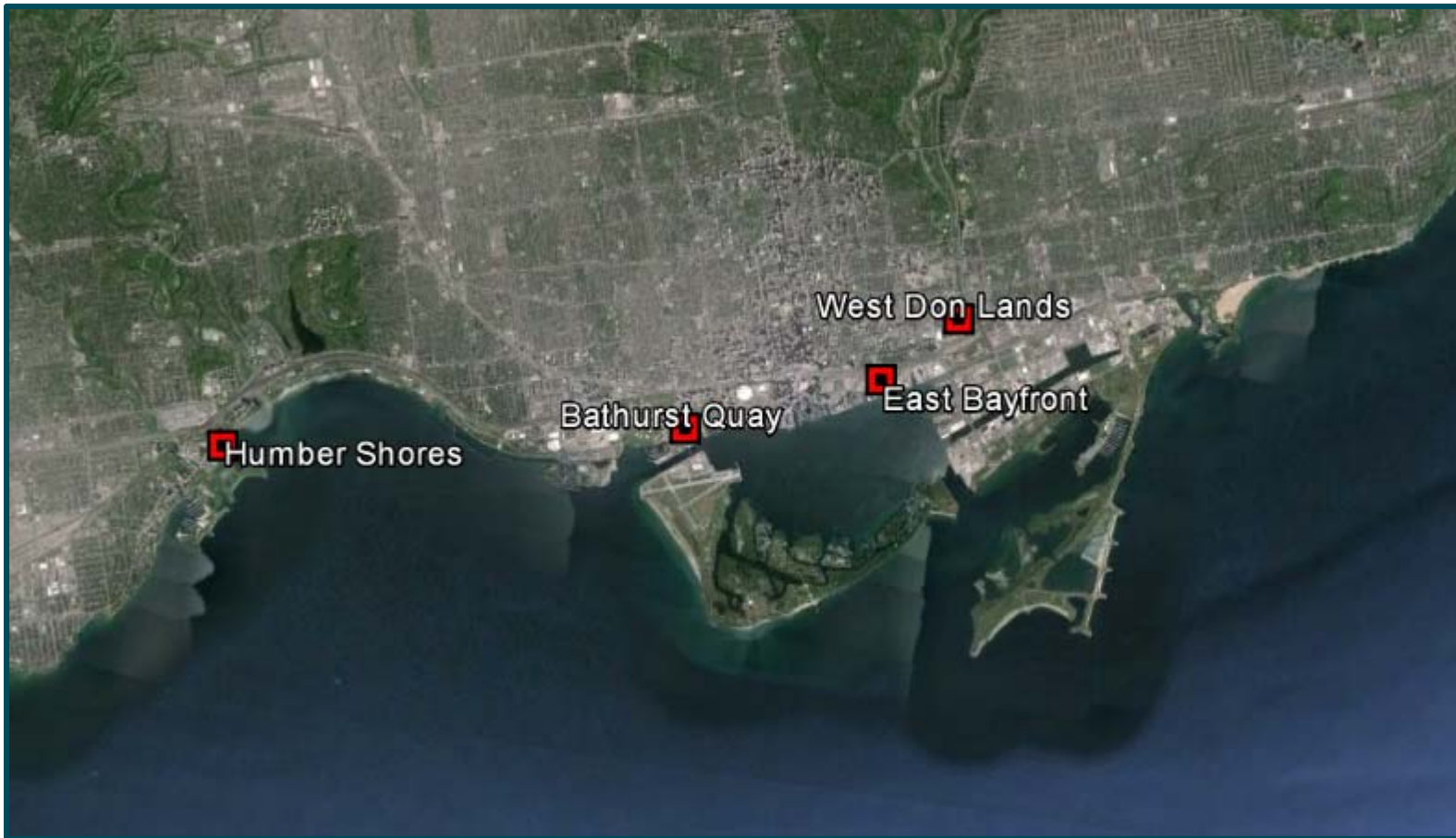
Comparable Development Neighbourhoods

- Cushman & Wakefield identified neighbourhoods and precincts that are located within the City of Toronto, which transitioned (over time) from large blocks of underdeveloped (generally industrial) land to become vibrant mixed use areas.
- We sought to identify the year that each neighbourhood/precinct resembled the Study Area and/or Villiers Island (“the Subject Land Area”), in terms of its infrastructure investment and planning status, and the broader nature and character of development within and surrounding the neighbourhood/precinct.
- Accordingly, we reviewed land density values in the following Precincts:
 - Humber Bay Shores
 - Bathurst Quay
 - East Bayfront
 - West Don Lands

The following slides provide summary information on the boundaries, planning context and development timing of each Precinct. Information on representative land sales transactions is also provided.

Benchmark Land Values

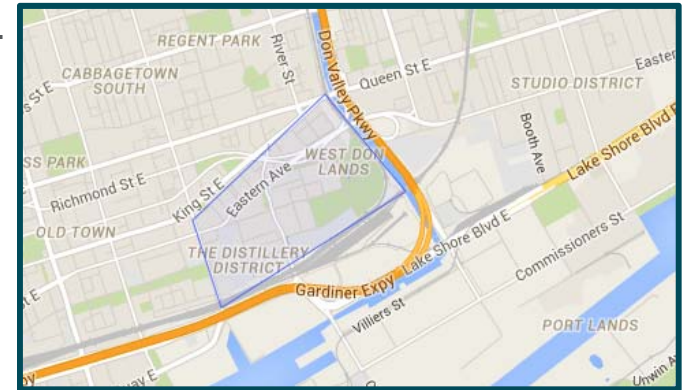
Comparable Development Neighbourhoods - Locations



Benchmark Land Values

Comparable Development Neighbourhood - West Don Lands

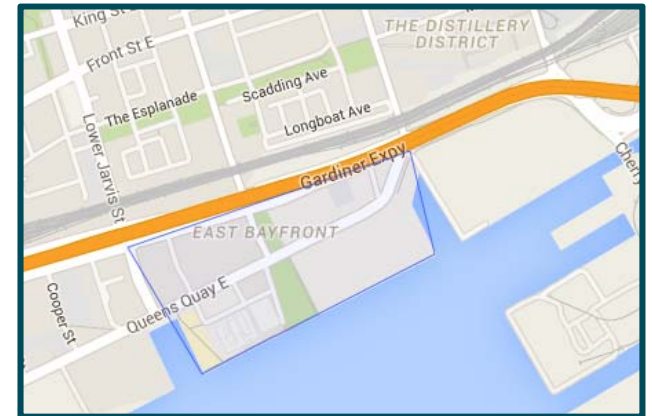
- Description: A mixed-use district covering approx. 79 acres.
- Boundaries
 - North: King St East
 - South: Rail Corridor
 - West: Parliament St.
 - East: Don River
- Planning Context
 - The neighbourhood plan was completed in May 2005. A phased approach to development was taken with the total area being divided into 4 districts.
 - Development began in 2008, active marketing commenced in 2009 and the first phase achieved occupancy in 2014. Approx. 6,000 residential units are planned.
- Residential Land Values
 - The most recent land sale in the West Don Lands area (now River City Phase 3) occurred in September 2015, at \$31 psf of density for 339,000 sf of density at Eastern Avenue and Lower River Street. While the transaction was negotiated in 2008, it is an important benchmark.
 - Historic land density values in the broader West Don Lands area have ranged from \$19 psf of density in October 2004 (at Mill/Trinity) to \$38 psf in December 2007 (at Queen/Broadview, just east of the DVP).
 - The above West Don Lands area sales are preferably located to Villiers Island or the Film Studios in 2023.



Benchmark Land Values

Comparable Development Neighbourhood – East Bayfront

- Description: A mixed-use eastward extension of the waterfront.
- Boundaries
 - North: Lakeshore Blvd. East
 - South: Lake Ontario
 - West: Lower Jarvis St.
 - East: Parliament St.
- Planning Context
 - The neighbourhood plan was approved in 2006.
 - Approximately 6,000 residential units are planned, of which 1,141 have been completed and/or are now actively being marketing. Development is expected to unfold in phases over the next 10 years.
- Land Values
 - Three residential land sales have occurred: one for \$53 psf of residential density in March 2015 (initially negotiated in 2009) and another for \$41 psf of residential density in November 2014 (also negotiated several years earlier), both at Lakeshore Blvd. East and Lower Sherbourne St. The third sale, at Lakeshore Blvd. East and Lower Jarvis, sold to Daniels for for \$57 psf in January 2014.
 - The office component of a mixed-use site at Queens Quay East and Lower Jarvis Street sold for \$38 psf in January 2014. This is a superior location to Lakeshore and Lower Sherbourne.
 - Given their much closer proximity to Yonge Street, these sites are considered to be significantly superior to the subject land area in 2023.



Benchmark Land Values

Comparable Development Precinct – Bathurst Quay

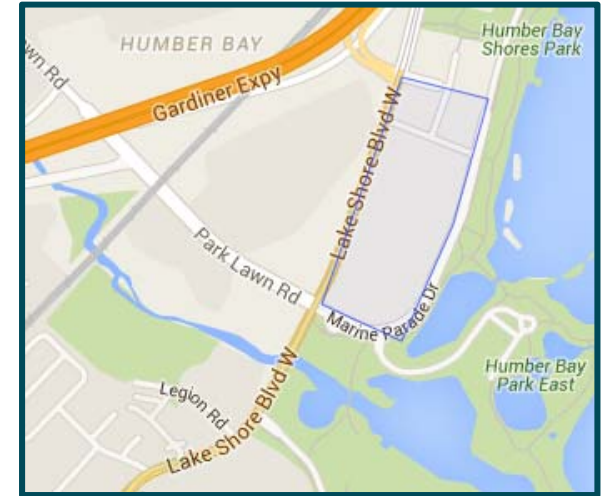
- Description: A Mixed – Use district along Toronto’s Central Waterfront covering approx. 74 acres.
- Boundaries
 - North: Lakeshore Blvd. West
 - South: Western Channel of Billy Bishop Airport
 - West: HMCS York property
 - East: Spadina Ave.
- Planning Context
 - Major mid-rise redevelopment took place in 2000. The latest building was completed in 2011 (Quay West by Monarch).
 - A preliminary neighbourhood plan (the Bathurst Quay Neighbourhood Plan Preliminary Directions) was adopted by council in 2015. This plan provides for approximately 1,651 residential units. The final Bathurst Quay Neighbourhood Plan is still under development.
 - Going forward, several areas are expected to be redeveloped including the Canadian Malting Silos property.
- Land values
 - Two notable land sales occurred in the Bathurst Quay area. A site at Lakeshore Boulevard West and Dan Leckie Way transacted in September 1997 at \$30 per square foot of density. Another site at Lakeshore Boulevard West and Spadina Avenue occurred in February 2000 at \$22 per square foot.
 - Both sites had superior Downtown West locations to that of the subject land area in 2023.



Benchmark Land Values

Comparable Development Precinct – Humber Bay Shores

- Description: A mixed-use neighbourhood with mid-rise buildings and towers located north of Humber Bay Shores Parks, covering an area of approx. 20 acres.
- Boundaries
 - North: Lakeshore Blvd. West
 - South: Marine Park Drive
 - West: Marine Park Drive
 - East: Brookers Lane
- Planning Context
 - The first phase of development began in 2003 with occupancy taking place in 2006. Several buildings are currently under construction.
 - The neighbourhood plan was ultimately approved in June 2010.
 - The plan includes 5,270 residential units.
- Land Values
 - Two sites sold in 1997 at \$25 and \$28 per square foot of density, respectively; both were located at Lakeshore Boulevard West and Marine Parade Drive.
 - These sites had a superior west location to the subject lands area in 2023.



Benchmark Land Values

Recent Representative Land Sales – Residential

Residential Land Sales								
#	Date	Address	Precinct	Location	Size (acres)	Price (millions)	Density (sf)	\$ psf of Density
Recent Sales								
1	Nov-2014	215 - 225 Queens Quay East	East Bayfront	Lakeshore Blvd. East/Lower Sherbourne St.	1.28	\$15.54	378,917	\$41
2	Mar-2015	190 Queens Quay East & 12 Bonnycastle Street	East Bayfront	Lakeshore Blvd. East/Lower Sherbourne St.	0.97	\$25.20	475,472	\$53
3	Jun-2015	897 - 899 Queen Street East	West Don Lands area	Queen St. East/Logan Ave.	0.37	\$4.00	61,538	\$65
4	Sep-2015	210 Eastern Avenue	West Don Lands area	Eastern Ave./Lower River St.	1.01	\$10.50	338,710	\$31
	Jan-2014	143-177 Lakeshore Blvd.	East Bayfront	Lakeshore Blvd. East/Lower Jarvis St.	1.72	\$49.0	863,768	\$38

- Residential land sales in the West Don Lands area have ranged from \$31 psf of development density (for 210 Eastern, which was negotiated in 2008 and closed in 2015) to \$65 psf of development density for a small site at 897 – 899 Queen Street East. The West Don Lands have superior location attributes to the Villiers Neighbourhood or the McCleary District of the Film Studios District.
- Residential land sale closing prices in East Bayfront have ranged from \$38 psf to \$53 psf of development density; however, in most cases the transactions were negotiated several years prior to closing. East Bayfront has significantly superior location attributes to the Villiers Neighbourhood or the McCleary District of the Film Studios District.

Benchmark Land Values

Historic Representative Land Sales – Residential

Residential Land Sales								
#	Date	Address	Precinct	Location	Size (acres)	Price (millions)	Density (sf)	\$ psf of Density
Historic Sales								
5	Aug-1997	2067 Lake Shore Boulevard W	Humber Bay Shores	Lakeshore Blvd. West/Marine Parade Dr.	0.91	\$2.09	82,801	\$25
6	Sep-1997	590 - 600 Queens Quay West	Bathurst Quay	Lakeshore Blvd. West/Dan Leckie Way	1.20	\$6.42	213,000	\$30
7	Oct-1997	2097-2111 Lake Shore Blvd West	Humber Bay Shores	Lakeshore Blvd. West/Marine Parade Dr.	2.60	\$6.00	217,803	\$28
8	Feb-2000	410 Queens Quay West	Bathurst Quay	Lakeshore Blvd. West/Spadina Avenue	0.96	\$6.00	274,365	\$22
9	Jan-2001	68-78 Broadview Avenue	West Don Lands area	Queen St. East/Broadview Ave.	1.45	\$6.90	209,091	\$33
10	Oct-2004	Mill Street	West Don Lands area	Mill St./Trinity St.	12.79	\$15.50	815,789	\$19
11	Nov-2004	736 Dundas Street East	Regent Park	Dundas St. East/ River St.	0.21	\$1.04	34,050	\$31
12	Dec-2007	90-100 Broadview Avenue	West Don Lands area	Queen St. East/Broadview Ave.	1.16	\$11.05	290,789	\$38
13	Apr-2009	246 & 252 Sackville Street	Regent Park	Dundas St. East/Sackville St.	0.74	\$5.71	196,948	\$29

- We do not usually examine historic land sales in the valuation of residential lands. We prefer to focus on current land transactions.
- However, there have been few recent land transactions that have comparable location attributes to that which Villiers Neighbourhood or McCleary District lands will have, as they newly emerge in 2023.
- Accordingly, we looked back in time, to land sales that occurred as other neighbourhoods emerged. We then adjusted these lands sales, to reflect location differences and the passage of time.

Benchmark Land Values

Representative Land Sales – Residential – Map



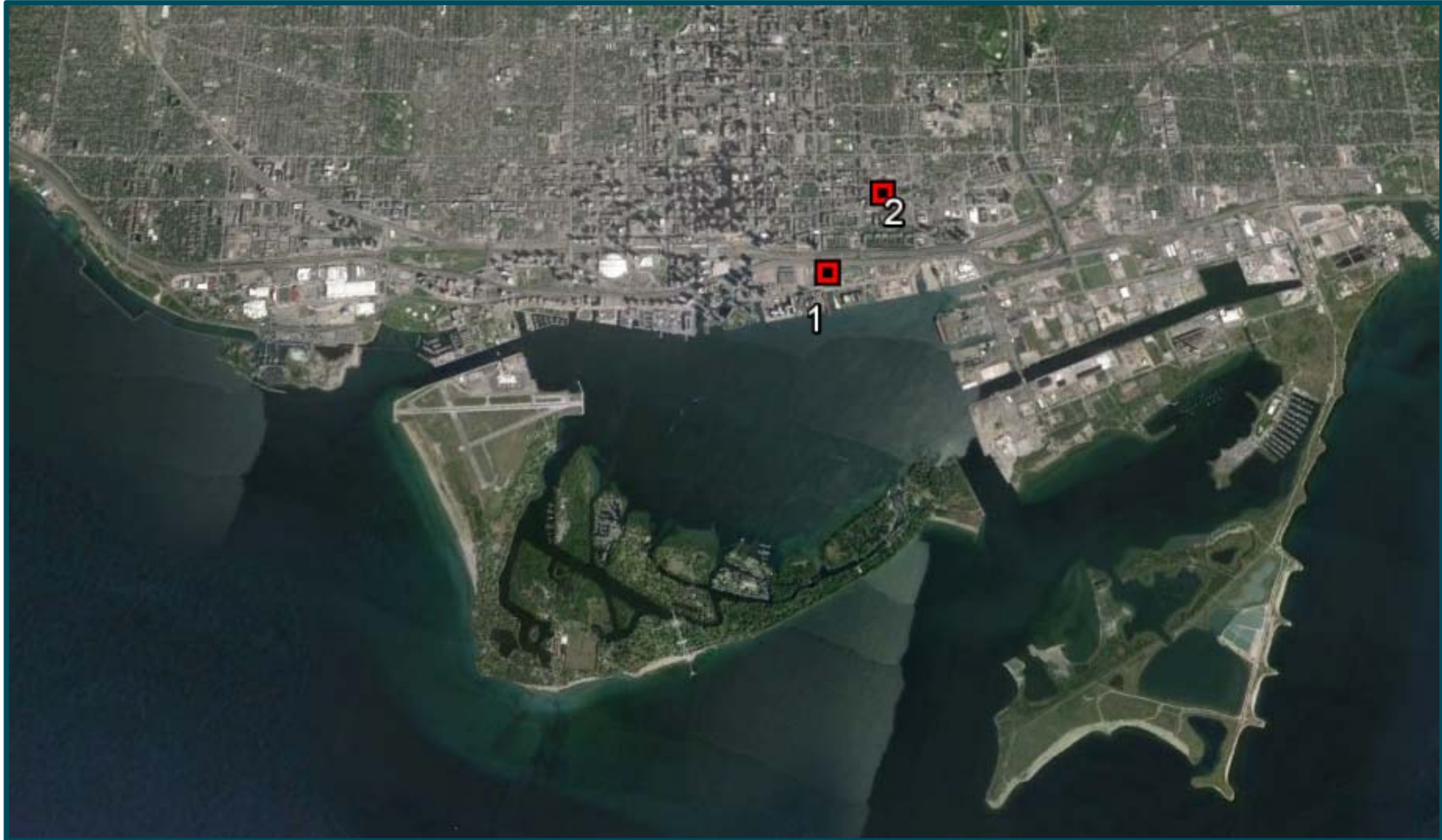
Benchmark Land Values

Representative Land Sales – Office

Office Land Sales								
#	Date	Address	Precinct	Location	Size (acres)	Price (millions)	Density (sf)	\$ psf of Density
Recent Sales								
1	Jan-2014	130 - 132 Queens Quay East	East BayFront	Queens Quay East /Lower Jarvis St.	1.54	\$17.00	447,368	\$38
Comparable Sales								
2	Apr-2010	333 King Street East	King East	King St. East/Berkeley St.	3.91	\$41.00	1,000,000	\$41

Benchmark Land Values

Representative Land Sales – Office – Map



Benchmark Land Values

Residential Land Value Analysis

- We completed a benchmark residential land sales adjustment grid, wherein we adjusted historic land sales in each precinct, to reflect their locational attributes as of the year of sale, in comparison to the attributes of the Subject Land area in 2023.
- The subject land area will have had full municipal planning approvals and servicing infrastructure in place since only 2023. In this light, the image of the area as a desirable place to live, work and play will be just emerging.
- It is further important to recognize that the subject land area is located considerably to the east of all of the precincts evaluated (with the exception of the West Don Lands area).
- Furthermore, the subject area is located well to the south of many of the precincts evaluated, as it is south of the rail corridor.
- Given both the emerging nature and southeast location of the subject land area, relative to the neighbourhoods evaluated, a downwards adjustment (from benchmark land values) is warranted for all neighbourhoods.
- Accordingly, the benchmark residential land sales adjustment grid that follows this page reflects this reality.
- The adjusted land values are in 2023 dollars.

Benchmark Land Values

Residential Land Value Analysis

Benchmark Residential Land Sales Adjustment Grid										
Sale Location	Sale Year	\$PSF of Density	Location Adjustment %	Adjusted Value	Inflated to \$2015 (1)	Inflated to \$2023 (2)	Weighting	Weighted Value (\$2015)	Weighted Value (\$2023)	Comment
Just East of the DVP (Broadview/Queen)	2007	\$38.00	-20%	\$30.40	\$42.41	\$51.67	15.0%			East is more comparable than west
	2001	\$33.00	-15%	\$28.05	\$52.37	\$63.81	15.0%			East is more comparable than west
West of DVP (Mill/Trinity)	2004	\$19.00	-25%	\$14.25	\$22.52	\$27.44	5.0%			Outlier (lower value)
Humber Bay Shores (Lakeshore Blvd./West/Marine Drive)	1997	\$25.00	-20%	\$20.00	\$42.31	\$51.55	12.5%			
	1997	\$28.00	-20%	\$22.40	\$47.38	\$57.73	12.5%			
East Bayfront (Lakeshore Boulevard East/Lower Sherbourne)	2005	\$37.00	-30%	\$25.90	\$39.27	\$47.85	15.0%			East is more comparable than west
Bathurst Quay	2000	\$22.00	-35%	\$14.30	\$27.83	\$33.91	12.5%			
	1997	\$30.00	-30%	\$21.00	\$44.42	\$54.12	12.5%			
Average		\$29.00	24%	\$22.04	\$39.81	\$48.51	100%	\$41.48	\$50.54	

(1) Assumes land value growth of 4.25%, which is the mid-point between normal (2.5%) value growth and the historic 6% condominium sales price growth rate experienced within the above neighbourhoods.

(2) Conservatively assumes inflationary (2.5%) land value growth, as future land value growth trends are less predictable or certain.

- We examined historic land sales within other neighbourhoods, at the time (more or less) of their emergence.
- We adjusted the land sales to reflect differences in location attributes between each site and the subject lands.
- We further inflated each land sale to 2015, at 4.25%, which is the midpoint between normal (2.5%) value growth and the historic 6% condominium sales price growth rate experienced within the above.
- We further inflated the values to 2023, at a more conservative 2.5% compound annual rate, recognizing that future land value growth trends are less predictable or certain.
- Finally, we weighted each transaction, to focus on those which we believe to be more relevant.
- All of the preceding resulting in a 2023 residential land value of approximately \$50 psf of density, which we perceive as the higher end of value for the (even in 2023) newly emerging Port Lands.

Benchmark Land Values

Office Land Value Analysis

- With regard to office land values, there are very few office land transactions that we can point to as appropriate land value benchmarks.
- The 2010 sale of 333 King Street East to First Gulf at \$41 per square foot of density, and the 2014 sale of 130 – 132 Queens Quay East at \$38 per square foot of density, represent values that are very considerably higher than that obtainable within the subject land area, as these sites have substantially superior locational attributes.
- Suburban office land sales may offer better guidance. Cushman & Wakefield managed the 2012 sale of an 8.7 acre Metrolinx owned parcel of office lands (at Trafalgar Road and Davis Drive) in Oakville to First Gulf, with approximately 400,000 ft.² of office development density at approx. \$8.7 million (\$1 million per acre). This equated to \$21.75 psf of development density. We note that First Gulf paid a premium for the site, in order to secure a tenant (PriceWaterhouse Coopers) who was keen to lease the office space. We would have normally (in 2012) valued the lands at \$850,000 per acre, which equates to \$18.48 psf of density.
- While Midtown Oakville was then a newly emerging office market, it was clearly superior to the subject land area; a 25% downwards adjustment of the \$18.48 psf is warranted, to \$13.86 psf. The inflation of this 2012 value to 2023 dollars produces a \$16.88 value, which we round to \$17 psf.
- Given the above, we consider the aforementioned \$20 psf land value to represent the higher end of office land density value for the Villiers Island Neighbourhood and McLeary District (of the broader Film Studio District) lands. A range of \$18 to \$20 psf was thereby assumed.

Benchmark Land Values

Retail; Institutional

- We assume that the retail space will be located at the ground level of (or abutting) residential condominiums or office buildings, and thereby will likely form part of a broader condominium or office land transaction. We thereby valued the “retail” land density at the same value as indicated for the larger residential or office parcel in which it is located.
- Institutional land is typically valued on the basis of its highest and best market use. In other words, the vendor typically takes the position that they will develop to highest and best market use (such as residential) and requires that land value from their institutional purchasers, irrespective of the ultimately intended institutional use. Similarly, institutional purchasers recognize that they must pay highest and best use value or not be in a position to acquire the lands.
- Accordingly, we have valued the “institutional” lands at residential land value.
- All of the preceding are benchmark land values, which must then be adjusted on a development block by block basis.

Benchmark Land Values

Conclusions

Benchmark Land Value Conclusions (\$2023 psf)				
	Residential	Non - Residential		
		Office	Retail	Institutional
Higher Benchmark Land Values	\$50	\$20	\$50	\$50
Lower Benchmark Land Values	\$35	\$18	\$35	\$35
Benchmark Land Value Range	\$35 to \$50	\$18 to \$20	\$35 to \$50	\$35 to \$50

- The above benchmark land values are utilized within a Value Adjustment Grid for each of the Villers Island Neighbourhood and the McCleary District of the Film Studios District.
- The grid adjusts the benchmark land values upwards or downwards, to reflect the specific location, size (development density quantum) and configuration attributes of each development block or parcel.
- This analysis is provided within the subsequent Development Block Land Values section.

Benchmark Land Values

Reality Check

- By comparison, the 2008 negotiation and September 2015 sale of 210 Eastern Avenue (at Eastern Avenue and Lower River Street, in the West Don Lands), of 339,000 sf of density at \$31 psf of development density, sets a precedent for the area. This sale is preferably located (to the subject lands) in the immediate West Don Lands area, which through the design excellence and Pan Am Games related marketing has gained popularity. An at least 15% downward adjustment is thereby warranted, resulting in an adjusted \$26.35 psf of development density value for this key transaction.
- The inflation of this value (at a 4.25% compound annual rate) from the 2008 negotiation of this transaction to 2015 dollars results in a value \$35.25 psf of density. The further inflation of this value to 2023, at a more conservative 2.5% compound annual rate (recognizing that future land value growth trends are less predictable or certain), results in 2023 value of \$43.00 psf of residential density. This \$43 psf value is at the midpoint of the aforementioned \$35 to \$50 psf of density range.
- This precedent sale thereby supports the midpoint (\$43 per square foot) end of our residential density value range. The higher (\$50 per square foot) end of the range is supported by the preceding Benchmark Residential Land Sales Adjustment Grid, and the below described sales transaction.
- The March 2015 sale of 190 Queens Quay East (at Bonnycastle) sets another value benchmark. This site sold for \$53 per sf of development density, based upon 475,472 sf of residential development potential. This prime East Bayfront location (at Lakeshore Boulevard East and Lower Sherbourne) is very significantly superior to the Villiers Island Neighbourhood or the McCleary District; a 30% downwards adjustment is thereby warranted. Conversely, the amount of development density is significant, requiring an offsetting 10% upward adjustment. An overall 20% downward adjustment to the \$53 per sf price produces an adjusted value of \$42 per sf of development density. The further inflation of this \$42 sf value to \$2023 (using a 2.5% compound annual rate) produces a value of \$51 per sf of development density.
- The preceding adjustments to the 190 Queen's Quay East sale price (resulting in a \$51 per square foot adjusted price) are substantial and (to a degree) subjective. We thereby place greater credence on the 210 Eastern Avenue transaction, which requires lesser adjustment and results in an adjusted price of \$43 per square foot.

Benchmark Land Values

Reality Check

- The \$35 to \$50 psf benchmark residential land density value range is also consistent with broader land transaction trends within the downtown periphery of the City of Toronto (i.e. all of the Downtown except the Core).
- Broadly, residential land density values within the downtown periphery of City of Toronto have ranged from a low of \$31 per sf of developable to a high of \$134 per square foot (excluding unusual outliers) and have averaged at \$67 per square foot, over the past 12 months.
- The \$35 psf low end of the benchmark land value range is approximately 48% below the aforementioned \$67 average but still 12% above the lower end of the downtown periphery (of the City of Toronto) transaction value range.
- The \$50 psf high end of the benchmark land value range is approximately 25% below the aforementioned \$67 average but fully 61% above the lower end of the downtown periphery (of the City of Toronto) transaction value range.
- The \$42.50 psf midpoint of the benchmark land value range is approximately 37% below the \$67 average, but fully 37% above the lower end of the downtown periphery (of the City of Toronto) transaction value range.
- Given all of the preceding realty checks, a \$35 per sf (low) to \$50 per sf (high) and \$43 per sf midpoint residential land development density value range is well supported.

Benchmark Land Values

Reality Check

- The preceding Office Land Value Analysis page well supports an \$18 psf to a \$20 psf office land development density range.
- We assume that the retail space will be located at the ground level of (or abutting) residential condominiums or office buildings, and thereby will likely form part of a broader condominium or office land transaction. We thereby value the “retail” land density at the same value as indicated for the larger residential or office parcel in which the retail space is located.

Development Block Land Values

Development Block Land Values

Methodology

- We then considered the adjustments that should be made to the aforementioned benchmark land values, relative to the location of each block within Villiers Island and the Film Studios, relative to the following adjustment criteria:
 - View, light and noise impacts of the Gardiner/DVP and/or Lakeshore Boulevard
 - Transit accessibility
 - Building density quantum (very large sites with substantial amounts of development density have lower values)
 - Block size, shape and configuration
 - Visibility
 - Water/park views/access
- Land density the value adjustments for each criteria ranged from 0% to 30%.
- The percentage adjustments for each of the above criteria were summed to a total.
- The unadjusted land density value benchmark values were increased (or decreased) by the percentage total, to produce an adjusted land density value for each block, by land use (residential condominium, office, retail or institutional).
- The results are summarized on the following pages. Details are provided in the Appendix.

Benchmark Land Value Adjustment Grid Summary

Villiers Island Neighbourhood Development Parcels



Benchmark Land Value Adjustment Grid Summary

Villiers Island Neighbourhood Development Parcels– Higher Values

Value Adjustment Grid		
		Higher Adjusted Land Density Value (\$ psf)
Parcel 01 (catalytic use)	Residential	\$65
	Non-Residential	\$24
Parcel 02 (catalytic use)	Residential	\$60
	Non-Residential	\$26
Parcel 03(pool)	Residential	\$70
	Non-Residential	\$0
Parcel 04	Residential	\$63
	Non-Residential	\$23
Parcel 05 (heritage)	Residential	\$53
	Non-Residential	\$20
Parcel 06 (school)	Residential	\$73
	Non-Residential	\$0
Parcel 07	Residential	\$50
	Non-Residential	\$26
Parcel 08	Residential	\$60
	Non-Residential	\$22
Parcel 09A (heritage)	Residential	\$55
	Non-Residential	\$24
Parcel 09B (Castlepoint Property)	Residential	\$55
	Non-Residential	\$22
Parcel 10A (heritage Cherry Sound)	Residential	\$55
	Non-Residential	\$24
Parcel 10B	Residential	\$55
	Non-Residential	\$22
Parcel 11	Residential	\$60
	Non-Residential	\$24
Parcel 12 (T NewCherry)	Residential	\$58
	Non-Residential	\$29
Parcel 13A (heritage)	Residential	\$65
	Non-Residential	\$28
Parcel 13B (T) (Castlepoint Property)	Residential	\$60
	Non-Residential	\$24
Parcel 14 (T)	Residential	\$60
	Non-Residential	\$28
Parcel 15 (T)	Residential	\$55
	Non-Residential	\$28
Parcel 16 (T NewCherry mixed use)	Residential	\$70
	Non-Residential	\$26

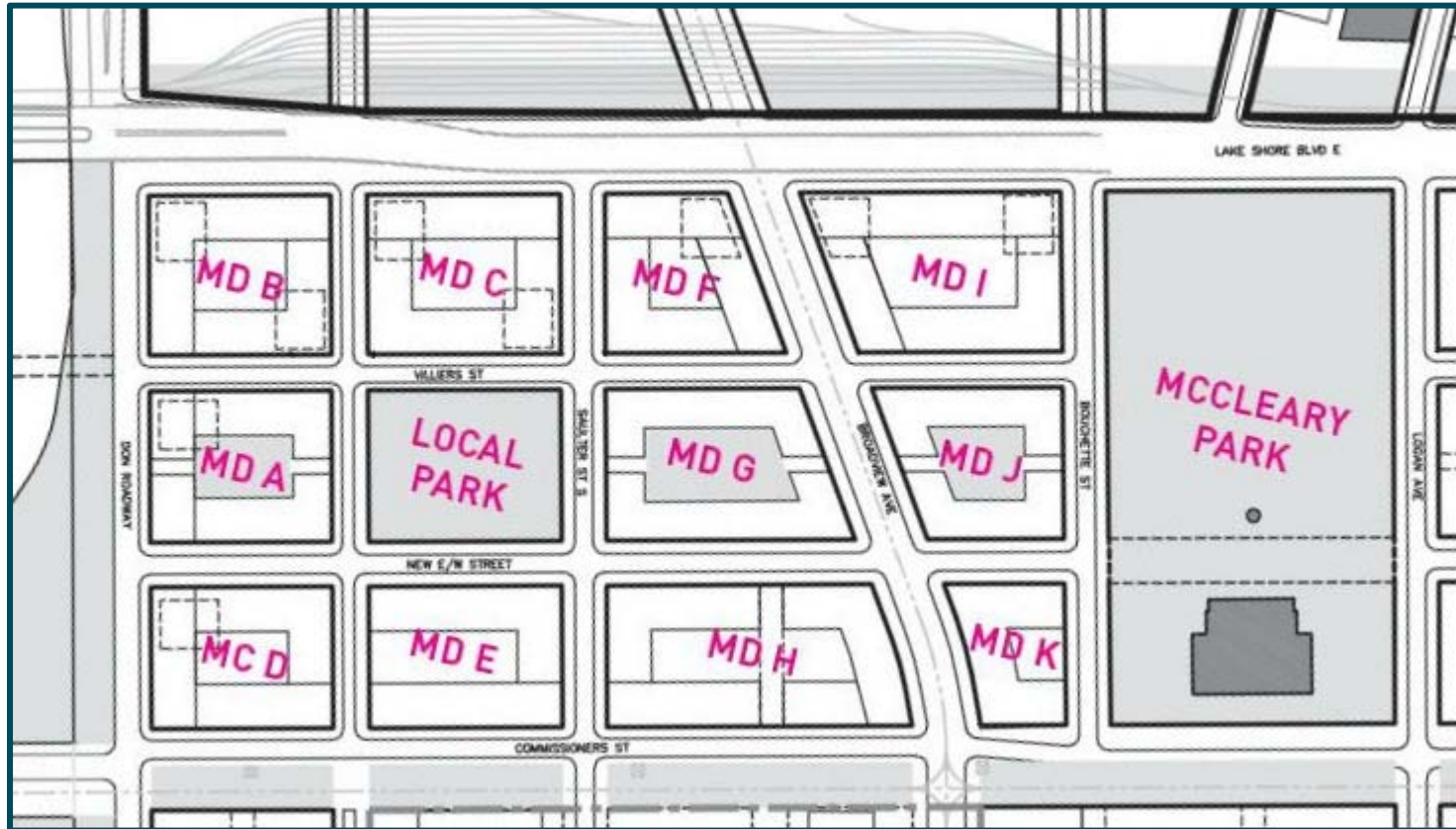
Benchmark Land Value Adjustment Grid Summary

Villiers Island Neighbourhood Development Parcels– Lower Values

Value Adjustment Grid		
		Lower Adjusted Land Density Value (\$ psf)
Parcel 01 (catalytic use)	Residential	\$46
	Non-Residential	\$21
Parcel 02 (catalytic use)	Residential	\$42
	Non-Residential	\$23
Parcel 03(pool)	Residential	\$49
	Non-Residential	\$0
Parcel 04	Residential	\$44
	Non-Residential	\$20
Parcel 05 (heritage)	Residential	\$37
	Non-Residential	\$18
Parcel 06 (school)	Residential	\$51
	Non-Residential	\$0
Parcel 07	Residential	\$35
	Non-Residential	\$23
Parcel 08	Residential	\$42
	Non-Residential	\$19
Parcel 09A (heritage)	Residential	\$39
	Non-Residential	\$21
Parcel 09B (Castlepoint Property)	Residential	\$39
	Non-Residential	\$19
Parcel 10A (heritage Cherry Sound)	Residential	\$39
	Non-Residential	\$21
Parcel 10B	Residential	\$39
	Non-Residential	\$19
Parcel 11	Residential	\$42
	Non-Residential	\$21
Parcel 12 (T NewCherry)	Residential	\$40
	Non-Residential	\$25
Parcel 13A (heritage)	Residential	\$46
	Non-Residential	\$25
Parcel 13B (T) (Castlepoint Property)	Residential	\$42
	Non-Residential	\$21
Parcel 14 (T)	Residential	\$42
	Non-Residential	\$25
Parcel 15 (T)	Residential	\$39
	Non-Residential	\$25
Parcel 16 (T NewCherry mixed use)	Residential	\$49
	Non-Residential	\$23

Benchmark Land Value Adjustment Grid Summary

McCleary District (within the Film Studio District) Development Parcels



Benchmark Land Value Adjustment Grid Summary

McCleary District (within the Film Studio District) Development Parcels – Higher Values

Value Adjustment Grid				
		Effective Adjustment (additive)	Unadjusted Higher Land Density Value (\$ psf)	Adjusted Higher Land Density Value (\$ psf)
MD A	Residential Density	5%	\$50.00	\$53
	Non-Residential Density	10%	\$20.00	\$22
MD B	Residential Density	-25%	\$50.00	\$38
	Non-Residential Density	20%	\$20.00	\$24
MD C	Residential Density	-35%	\$50.00	\$33
	Non-Residential Density	15%	\$20.00	\$23
MD D	Residential Density	35%	\$50.00	\$68
	Non-Residential Density	20%	\$20.00	\$24
MD E	Non-Residential Density	10%	\$20.00	\$22
MD F	Residential Density	-30%	\$50.00	\$35
	Non-Residential Density	10%	\$20.00	\$22
MD G	Residential Density	-5%	\$50.00	\$48
	Non-Residential Density	10%	\$20.00	\$22
MD H	Residential Density	20%	\$50.00	\$60
	Non-Residential Density	10%	\$20.00	\$22
MD I	Residential Density	-35%	\$50.00	\$33
	Non-Residential Density	15%	\$20.00	\$23
MD J	Residential Density	10%	\$50.00	\$55
	Non-Residential Density	5%	\$20.00	\$21
MD K	Residential Density	15%	\$50.00	\$58
	Non-Residential Density	0%	\$20.00	\$20

Benchmark Land Value Adjustment Grid Summary

McCleary District (within the Film Studio District) Development Parcels – Lower Values

Value Adjustment Grid					
		Effective Adjustment (additive)		Unadjusted Lower Land Density Value (\$ psf)	Adjusted Lower Land Density Value (\$ psf)
MD A	Residential Density	5%		\$35.00	\$37
	Non-Residential Density	10%		\$17.50	\$19
MD B	Residential Density	-25%		\$35.00	\$26
	Non-Residential Density	20%		\$17.50	\$21
MD C	Residential Density	-35%		\$35.00	\$23
	Non-Residential Density	15%		\$17.50	\$20
MD D	Residential Density	35%		\$35.00	\$47
	Non-Residential Density	20%		\$17.50	\$21
MD E	Non-Residential Density	10%		\$17.50	\$19
MD F	Residential Density	-30%		\$35.00	\$25
	Non-Residential Density	10%		\$17.50	\$19
MD G	Residential Density	-5%		\$35.00	\$33
	Non-Residential Density	10%		\$17.50	\$19
MD H	Residential Density	20%		\$35.00	\$42
	Non-Residential Density	10%		\$17.50	\$19
MD I	Residential Density	-35%		\$35.00	\$23
	Non-Residential Density	15%		\$17.50	\$20
MD J	Residential Density	10%		\$35.00	\$39
	Non-Residential Density	5%		\$17.50	\$18
MD K	Residential Density	15%		\$35.00	\$40
	Non-Residential Density	0%		\$17.50	\$18

Revenue Projections

Methodology / Key Assumptions

- We utilized the land and associated development metrics provided by Waterfront Toronto and the City of Toronto.
- We utilized the market demand projections provided within the PLAI Demand Projections Update.
- Development parcels are assumed to be sold 2 years in advance of the projected commencement of sales, to allow sufficient time for land development planning and preliminary design (prior to presales).
- The next development parcel is sold (absorbed) once cumulative demand has been sufficient to absorb the space developed upon the previously sold (absorbed) parcel.
- Employment space is assumed to be equally allocated to office (50%) and retail (50%) use.
- Development parcel values are based upon the adjusted land density values for each development block provided within the preceding pages.

Methodology / Key Assumptions

- We utilized 7% and 14% discount rates (internal rate of return), to present value the revenues.
- A 7% discount rate (IRR) reflects the risks inherent in acquisition of a fully leased office building.
- A 14% discount rate (IRR) better reflects the risks inherent in the acquisition and master development of land, and may therefore be more appropriate to the present valuation of Port Lands values.
- Critically, our revenue projections assumed that:
 - The lands will be fully zoned for the development densities included in this report, by 2023.
 - Full municipal infrastructure will be in place by 2023, to allow the construction the development densities included in this report.
 - The lands are or will be in an environmental condition to allow the issuance of building permits in 2023.
 - Bus rapid transit service will be available along both Cherry and Commissioners, by 2023.

Key Assumptions

Land Value Growth Assumptions

- We examined the pace of condominium price growth within the West Don Lands (from 2009 to date), East Bayfront (from 2011 to date), Humber Bay Shores (from 2004 to date) and the overall GTA.
- As illustrated in the below table, GTA condominium prices grew by 6% to 7% per annum over the past 10 years.
- This compares to 7% to 9% per annum within the first 10 years of development of Humber Bay Shores, and 4% per annum within the first 5 years of development of the West Don Lands.

Condominium Price Growth Within Representative Development Precincts		
Study Areas	Annual Growth within 1 to 5 years*	Annual Growth within 6 to 10 years*
West Don Lands	4%	
Humber Bay Shores	7%	9%
Comparable Precinct Average	6%	9%
City of Toronto Average	7%	6%
GTA Average	7%	6%

*Based on projects launched within the stated years

Key Assumptions

Land Value Growth Assumptions

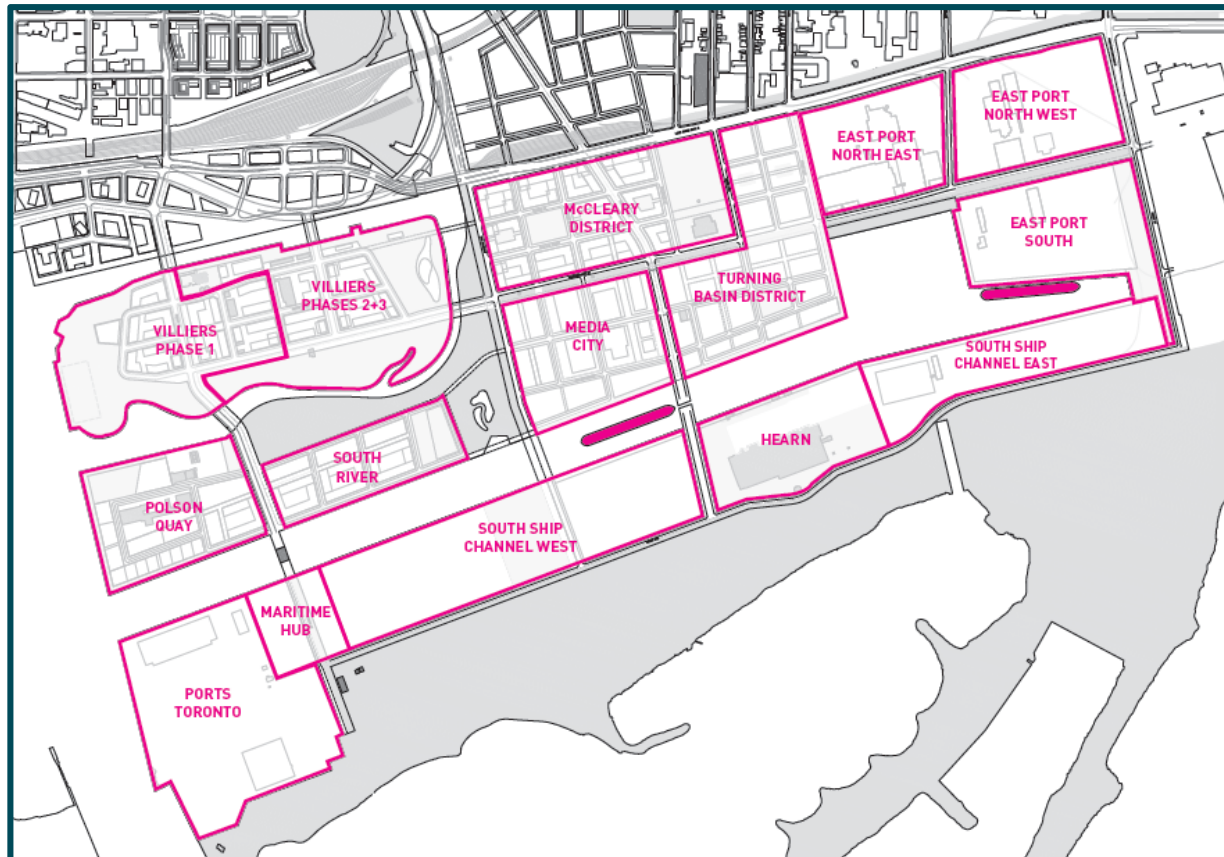
- We therefore initially conjectured that land value growth within Villiers Island and the Port Lands will at least mirror the 4% rate of condominium price growth at the West Don Lands and potentially achieve the rate of 7% to 9% condominium price growth at Humber Bay Shores. However, we have not seen that extent of land value growth in Downtown Toronto.
- The appropriate rate of land value growth (for utilization within land revenue projection models) would best be determined through a comprehensive review of historical land value growth trends across the City of Toronto and the broader GTA. Unfortunately, this extent of analysis is beyond the scope of this Study.
- More importantly, the extent and pace of land value growth that might (or might not) occur is not easily predictable and is uncertain. Accordingly, we are prepared to base Cushman & Wakefield's revenue projections on a combination of: a) periodic moderate increases in real (before inflation) land values (as the Villiers Island Neighbourhood and the McCleary District gain critical mass and developer/consumer interest) and standard (2.5%) value growth. We prefer to take this somewhat more conservative approach, given the risk inherent in the utilization of more aggressive land value growth assumptions.
- Based upon the above, we assumed that land values would increase at the following real (before inflation) growth rates:
 - 2028 a 7% increase over 2023 values
 - 2033 an 8% increase over 2028 values
 - 2038 a 6% increase over 2033 values

We then applied 2.5% compound annual value growth to the preceding real values.

Key Assumptions

Development Capacity

Development Capacity (sf millions)			
	Total GFA (sq. ft.)	Residential (sq. ft.)	Non-Resi. (sq. ft.)
Villiers	5.6	4.5	1.1
McCleary District (of the Film Studios District)	6.2	5.1	1.1
Total	11.9	9.6	2.3



Key Assumptions

Villiers Neighbourhood Development Capacity (by parcel)

Villiers Parcel Development Capacity (sf millions)				
Parcel Number	Parcel Area (sq. ft.)	Total GFA (sq. ft.)	Residential (sq. ft.)	Non-Resi. (sq. ft.)
Parcel 01 (catalytic use)	0.04	0.10	-	0.10
Parcel 02 (catalytic use)	0.02	0.04	-	0.04
Parcel 03(pool)	0.04	0.11	0.08	0.03
Parcel 04	0.05	0.10	-	0.10
Parcel 05 (heritage)	0.02	0.01	-	0.01
Parcel 06 (school)	0.03	0.04	-	0.04
Parcel 07	0.09	0.53	0.52	0.02
Parcel 08	0.07	0.33	-	0.33
Parcel 09A (heritage)	0.03	0.02	-	0.02
Parcel 09B (Castlepoint)	0.07	0.36	0.31	0.05
Parcel 10A (heritage Cherry Sound)	0.04	0.03	-	0.03
Parcel 10B	0.05	0.27	0.24	0.03
Parcel 11	0.10	0.49	0.46	0.03
Parcel 12 (T NewCherry)	0.11	0.84	0.82	0.02
Parcel 13A (heritage)	0.01	0.00	-	0.00
Parcel 13B (T) (Castlepoint Property)	0.08	0.48	0.46	0.02
Parcel 14 (T)	0.09	0.59	0.56	0.02
Parcel 15 (T)	0.11	0.80	0.77	0.03
Parcel 16 (T NewCherry mixed use)	0.07	0.52	0.30	0.21
Total	1.11	5.64	4.51	1.13

Key Assumptions

McCleary District Development Capacity (by parcel)

McCleary District Development Capacity (sf millions)				
Parcel Number	Total GFA (sf)	Residential (sf)	Office (sf)	Retail (sf)
MD Parcel A	0.49	0.48	-	0.01
MD Parcel B	0.93	0.91	-	0.03
MD Parcel C	0.84	0.81	-	0.03
MD Parcel D	0.50	0.24	0.24	0.02
MD Parcel E	0.39	0.18	0.18	0.02
MD Parcel F	0.55	0.54	-	0.01
MD Parcel G	0.43	0.43	-	-
MD Parcel H	0.64	0.30	0.30	0.04
MD Parcel I	0.90	0.89	-	0.02
MD Parcel J	0.32	0.30	-	0.02
MD Parcel K	0.23	0.00	0.21	0.02
Total	6.23	5.08	0.93	0.22

Density Absorption

By Ownership and Location

Absorbed Densities (2023 – 2042) Ownership Breakdown	
	(sf millions)
Total Portlands (Municipal and Private)	7.6
Residential	5.7
Non - Residential	1.9
Municipal Land Holdings	6.4
Residential	4.8
Non - Residential	1.6
Private Land Holdings	1.1
Residential	0.8
Non - Residential	0.3

Absorbed Densities (2023 – 2042) Geographic Breakdown	
	(sf millions)
Portlands	7.6
Residential	5.7
Non - Residential	1.9
Villiers	5.6
Residential	4.7
Non - Residential	0.9
McCleary District	1.9
Residential	0.9
Non - Residential	1.0

- Approximately 7.6 million sf (64%) of the total 11.9 million sf of development density is projected to be absorbed over the 20 year revenue generation time horizon.
- Approximately 5.7 million (59%) of the 9.6 million sf of residential density is absorbed.
- Approximately 1.9 million sf (83% of the 2.3 million sf of non-residential density is absorbed.
- Approximately 6.4 million sf (84%) of the 7.6 million square feet absorbed is owned by the public sector.

Notes:

Parcels 09A, 09B, 10A, 13B within Villiers and 75% of Parcel H (MCLeary District) are assumed to be owned by private sector owners.

Villiers absorbed residential density of 4.7 msf shown above is greater than Villiers available residential density of 4.5 msf. This is because the 4.7 msf in our model includes minor retail densities.

Revenue Projections

Results – 2023 – Higher Values

Revenue Projections Summary Table				
Net Present Value (\$ 2023)				
	@ Discount Rate of 7%		@ Discount Rate of 14%	
	(\$ millions)	(\$ psf)	(\$ millions)	(\$ psf)
Portlands	\$253	\$34	\$151	\$20
Residential	\$211	\$37	\$118	\$21
Non - Residential	\$43	\$22	\$33	\$18
Municipal	\$214	\$33	\$131	\$20
Residential	\$177	\$37	\$101	\$21
Non - Residential	\$37	\$23	\$30	\$19
Private Sector	\$39	\$35	\$20	\$18
Residential	\$34	\$41	\$17	\$20
Non - Residential	\$5	\$19	\$3	\$11

- The disposition of the publically owned Port Lands (within Villiers Island and the Film Studios) is projected to generate approximately \$214 million in 2023 present value (assuming a 7% discount rate) or \$131 million PV (assuming a 14% discount rate), over the 2023 – 2042 (20 year) timeframe, all assuming higher benchmark land values.

Revenue Projections

Results – 2023 – Lower Values

Revenue Projections Summary Table				
Net Present Value (\$ 2023)				
	@ Discount Rate of 7%		@ Discount Rate of 14%	
	(\$ millions)	(\$ psf)	(\$ millions)	(\$ psf)
Portlands	\$183	\$24	\$109	\$15
Residential	\$148	\$26	\$82	\$15
Non - Residential	\$35	\$18	\$27	\$14
Municipal	\$154	\$24	\$95	\$15
Residential	\$124	\$26	\$70	\$15
Non - Residential	\$30	\$19	\$25	\$15
Private Sector	\$28	\$25	\$14	\$13
Residential	\$24	\$28	\$12	\$14
Non - Residential	\$4	\$15	\$3	\$9

- The disposition of the publically owned Port Lands (within Villiers Island and the Film Studios) is projected to generate approximately \$154 million in 2023 present value (assuming a 7% discount rate) or \$95 million PV (assuming a 14% discount rate), over the 2023 – 2042 (20 year) timeframe, all assuming lower benchmark land values.

Revenue Projections

Results – 2015 – Higher Values

Revenue Projections Summary Table				
Net Present Value (\$ 2015)				
	@ Discount Rate of 7%		@ Discount Rate of 14%	
	(\$ millions)	(\$ psf)	(\$ millions)	(\$ psf)
Portlands	\$148	\$19	\$53	\$7
Residential	\$123	\$22	\$41	\$7
Non - Residential	\$25	\$13	\$12	\$6
Municipal	\$125	\$19	\$46	\$7
Residential	\$103	\$21	\$35	\$7
Non - Residential	\$22	\$13	\$11	\$7
Private Sector	\$23	\$20	\$7	\$6
Residential	\$20	\$24	\$6	\$7
Non - Residential	\$3	\$11	\$1	\$4

- The disposition of the publically owned Port Lands (within Villiers Island and the Film Studios) is projected to generate approximately \$125 million in \$2015 present value (assuming a 7% discount rate) or \$46 million PV (assuming a 14% discount rate), over the 2023 – 2042 (20 year) timeframe, all assuming higher benchmark land values.

Revenue Projections

Results - 2015 – Lower Values

Revenue Projections Summary Table				
Net Present Value (\$ 2015)				
	@ Discount Rate of 7%		@ Discount Rate of 14%	
	(\$ millions)	(\$ psf)	(\$ millions)	(\$ psf)
Portlands	\$106	\$14	\$38	\$5
Residential	\$86	\$15	\$29	\$5
Non - Residential	\$20	\$11	\$10	\$5
Municipal	\$90	\$14	\$33	\$5
Residential	\$72	\$15	\$25	\$5
Non - Residential	\$18	\$11	\$9	\$5
Private Sector	\$16	\$15	\$5	\$4
Residential	\$14	\$16	\$4	\$5
Non - Residential	\$3	\$9	\$1	\$3

- The disposition of the publically owned Port Lands (within Villiers Island and the Film Studios) is projected to generate approximately \$90 million in \$2015 present value (assuming a 7% discount rate) or \$33 million PV (assuming a 14% discount rate), over the 2023 – 2042 (20 year) timeframe, all assuming lower benchmark land values.

Assumptions and Limiting Conditions

Assumptions and Limiting Conditions

- This Report is provided for the internal decision-making use of the City of Toronto and Waterfront Toronto, and may not be used for any other purpose, without the express written consent of Cushman & Wakefield.
- This Report may not be utilized as evidence within an Ontario Municipal Board, Expropriation, Environmental Assessment or any litigation or other legal proceeding.
- This report may not be transmitted to or utilized by third parties, other than the City of Toronto and Waterfront Toronto, without the express permission of both the City of Toronto, Waterfront Toronto and Cushman & Wakefield.
- This report is based upon the documentation and information received from the City of Toronto and Waterfront Toronto, and other sources. Cushman & Wakefield has relied on upon this documentation and information, and assumes that it is fully accurate. We have not audited or verified this documentation and information. Conversely, Cushman & Wakefield cannot be held responsible for documentation and information not received from the City of Toronto or Waterfront Toronto.
- Any changes to documentation or information or other facts provided by the City of Toronto or Waterfront Toronto or other sources (or the provision of new documentation or information or other facts) may have a material impact on the findings, conclusions and recommendations of this Report.
- This Report provides informal, order-of-magnitude indications of value. This report is (in any way) not an Appraisal, as might be completed by an accredited appraiser of the Appraisal Institute of Canada (AACI).

Appendices

Benchmark Land Value Adjustment Grid

Villiers Island – Higher Values

Value Adjustment Grid													
		View, Light and Noise Impacts of Gardiner/DVP	View and Noise Impacts of Rail Corridor	Transit Accessibility	Buildable Density Quantum	Block Size, Shape and Configuration	Visibility	Water/Park Views/Access		Effective Adjustment (additive)		Unadjusted Land Density Value (\$ psf)	Adjusted Land Density Value (\$ psf)
Parcel 01 (catalytic use)	Residential	0%	0%	5%	0%	0%	0%	25%		30%		\$50.00	\$65
	Non-Residential	0%	0%	5%	0%	0%	0%	13%		18%		\$20.00	\$24
Parcel 02 (catalytic use)	Residential	0%	0%	10%	0%	-10%	0%	20%		20%		\$50.00	\$60
	Non-Residential	0%	0%	10%	20%	-10%	0%	10%		30%		\$20.00	\$26
Parcel 03(pool)	Residential	0%	0%	10%	10%	0%	0%	20%		40%		\$50.00	\$70
	Non-Residential	0%	0%	0%	0%	0%	0%	10%		10%		\$0.00	\$0
Parcel 04	Residential	0%	0%	5%	0%	0%	0%	20%		25%		\$50.00	\$63
	Non-Residential	0%	0%	5%	0%	0%	0%	10%		15%		\$20.00	\$23
Parcel 05 (heritage)	Residential	0%	0%	5%	0%	-20%	0%	20%		5%		\$50.00	\$53
	Non-Residential	0%	0%	5%	20%	-20%	-15%	10%		0%		\$20.00	\$20
Parcel 06 (school)	Residential	0%	0%	10%	15%	0%	0%	20%		45%		\$50.00	\$73
	Non-Residential	0%	0%	0%	0%	0%	0%	0%		0%		\$0.00	\$0
Parcel 07	Residential	0%	0%	20%	-20%	0%	0%	0%		0%		\$50.00	\$50
	Non-Residential	0%	0%	20%	0%	0%	10%	0%		30%		\$20.00	\$26
Parcel 08	Residential	0%	0%	20%	0%	0%	0%	0%		20%		\$50.00	\$60
	Non-Residential	0%	0%	20%	-20%	0%	10%	0%		10%		\$20.00	\$22
Parcel 09A (heritage)	Residential	0%	0%	10%	0%	0%	0%	0%		10%		\$50.00	\$55
	Non-Residential	0%	0%	10%	20%	0%	-10%	0%		20%		\$20.00	\$24
Parcel 09B (Castlepoint Property)	Residential	0%	0%	10%	0%	0%	0%	0%		10%		\$50.00	\$55
	Non-Residential	0%	0%	10%	0%	0%	0%	0%		10%		\$20.00	\$22
Parcel 10A (heritage Cherry Sound)	Residential	0%	0%	10%	0%	0%	0%	0%		10%		\$50.00	\$55
	Non-Residential	0%	0%	10%	20%	0%	-10%	0%		20%		\$20.00	\$24
Parcel 10B	Residential	0%	0%	10%	0%	0%	0%	0%		10%		\$50.00	\$55
	Non-Residential	0%	0%	10%	0%	0%	0%	0%		10%		\$20.00	\$22
Parcel 11	Residential	0%	0%	10%	-10%	0%	0%	20%		20%		\$50.00	\$60
	Non-Residential	0%	0%	10%	0%	0%	0%	10%		20%		\$20.00	\$24
Parcel 12 (T NewCherry)	Residential	0%	0%	20%	-30%	0%	0%	25%		15%		\$50.00	\$58
	Non-Residential	0%	0%	20%	0%	0%	10%	13%		43%		\$20.00	\$29
Parcel 13A (heritage)	Residential	0%	0%	10%	0%	0%	0%	20%		30%		\$50.00	\$65
	Non-Residential	0%	0%	10%	20%	0%	0%	10%		40%		\$20.00	\$28
Parcel 13B (T) (Castlepoint Property)	Residential	0%	0%	10%	-10%	0%	0%	20%		20%		\$50.00	\$60
	Non-Residential	0%	0%	10%	0%	0%	0%	10%		20%		\$20.00	\$24
Parcel 14 (T)	Residential	0%	0%	20%	-20%	0%	0%	20%		20%		\$50.00	\$60
	Non-Residential	0%	0%	20%	0%	0%	10%	10%		40%		\$20.00	\$28
Parcel 15 (T)	Residential	0%	0%	20%	-30%	0%	0%	20%		10%		\$50.00	\$55
	Non-Residential	0%	0%	20%	0%	0%	10%	10%		40%		\$20.00	\$28
Parcel 16 (T NewCherry mixed use)	Residential	0%	0%	20%	0%	0%	0%	20%		40%		\$50.00	\$70
	Non-Residential	0%	0%	20%	-10%	0%	10%	10%		30%		\$20.00	\$26

Benchmark Land Value Adjustment Grid

Villiers Island – Lower Values

Value Adjustment Grid													
		View, Light and Noise Impacts of Gardiner/DVP	View and Noise Impacts of Rail Corridor	Transit Accessibility	Buildable Density Quantum	Block Size, Shape and Configuration	Visibility	Water/Park Views/Access		Effective Adjustment (additive)		Unadjusted Land Density Value (\$ psf)	Adjusted Land Density Value (\$ psf)
Parcel 01 (catalytic use)	Residential	0%	0%	5%	0%	0%	0%	25%		30%		\$35.00	\$46
	Non-Residential	0%	0%	5%	0%	0%	0%	13%		18%		\$17.50	\$21
Parcel 02 (catalytic use)	Residential	0%	0%	10%	0%	-10%	0%	20%		20%		\$35.00	\$42
	Non-Residential	0%	0%	10%	20%	-10%	0%	10%		30%		\$17.50	\$23
Parcel 03(pool)	Residential	0%	0%	10%	10%	0%	0%	20%		40%		\$35.00	\$49
	Non-Residential	0%	0%	0%	0%	0%	0%	10%		10%		\$0.00	\$0
Parcel 04	Residential	0%	0%	5%	0%	0%	0%	20%		25%		\$35.00	\$44
	Non-Residential	0%	0%	5%	0%	0%	0%	10%		15%		\$17.50	\$20
Parcel 05 (heritage)	Residential	0%	0%	5%	0%	-20%	0%	20%		5%		\$35.00	\$37
	Non-Residential	0%	0%	5%	20%	-20%	-15%	10%		0%		\$17.50	\$18
Parcel 06 (school)	Residential	0%	0%	10%	15%	0%	0%	20%		45%		\$35.00	\$51
	Non-Residential	0%	0%	0%	0%	0%	0%	0%		0%		\$0.00	\$0
Parcel 07	Residential	0%	0%	20%	-20%	0%	0%	0%		0%		\$35.00	\$35
	Non-Residential	0%	0%	20%	0%	0%	10%	0%		30%		\$17.50	\$23
Parcel 08	Residential	0%	0%	20%	0%	0%	0%	0%		20%		\$35.00	\$42
	Non-Residential	0%	0%	20%	-20%	0%	10%	0%		10%		\$17.50	\$19
Parcel 09A (heritage)	Residential	0%	0%	10%	0%	0%	0%	0%		10%		\$35.00	\$39
	Non-Residential	0%	0%	10%	20%	0%	-10%	0%		20%		\$17.50	\$21
Parcel 09B (Castlepoint Property)	Residential	0%	0%	10%	0%	0%	0%	0%		10%		\$35.00	\$39
	Non-Residential	0%	0%	10%	0%	0%	0%	0%		10%		\$17.50	\$19
Parcel 10A (heritage Cherry Sound)	Residential	0%	0%	10%	0%	0%	0%	0%	10%	\$35.00	\$39		
	Non-Residential	0%	0%	10%	20%	0%	-10%	0%	20%	\$17.50	\$21		
Parcel 10B	Residential	0%	0%	10%	0%	0%	0%	0%	10%	\$35.00	\$39		
	Non-Residential	0%	0%	10%	0%	0%	0%	0%	10%	\$17.50	\$19		
Parcel 11	Residential	0%	0%	10%	-10%	0%	0%	20%	20%	\$35.00	\$42		
	Non-Residential	0%	0%	10%	0%	0%	0%	10%	20%	\$17.50	\$21		
Parcel 12 (T NewCherry)	Residential	0%	0%	20%	-30%	0%	0%	25%	15%	\$35.00	\$40		
	Non-Residential	0%	0%	20%	0%	0%	10%	13%	43%	\$17.50	\$25		
Parcel 13A (heritage)	Residential	0%	0%	10%	0%	0%	0%	20%	30%	\$35.00	\$46		
	Non-Residential	0%	0%	10%	20%	0%	0%	10%	40%	\$17.50	\$25		
Parcel 13B (T) (Castlepoint Property)	Residential	0%	0%	10%	-10%	0%	0%	20%	20%	\$35.00	\$42		
	Non-Residential	0%	0%	10%	0%	0%	0%	10%	20%	\$17.50	\$21		
Parcel 14 (T)	Residential	0%	0%	20%	-20%	0%	0%	20%	20%	\$35.00	\$42		
	Non-Residential	0%	0%	20%	0%	0%	10%	10%	40%	\$17.50	\$25		
Parcel 15 (T)	Residential	0%	0%	20%	-30%	0%	0%	20%	10%	\$35.00	\$39		
	Non-Residential	0%	0%	20%	0%	0%	10%	10%	40%	\$17.50	\$25		
Parcel 16 (T NewCherry mixed use)	Residential	0%	0%	20%	0%	0%	0%	20%	40%	\$35.00	\$49		
	Non-Residential	0%	0%	20%	-10%	0%	10%	10%	30%	\$17.50	\$23		

Benchmark Land Value Adjustment Grid

Film Studio (McCleary District) – Higher Values

Value Adjustment Grid												
		View, Light and Noise Impacts of Blvd.	View and Noise Impacts of Rail Corridor	Proximity to Adverse Land Uses	Transit Accessibility	Buildable Density Quantum	Block Size, Shape and Configuration	Visibility	Water/Park Views/Access	Effective Adjustment (additive)	Unadjusted Higher Land Density Value (\$ psf)	Adjusted Higher Land Density Value (\$ psf)
MDA	Residential Density	0%	0%	0%	10%	-15%	0%	0%	10%	5%	\$50.00	\$53
	Non-Residential Density	0%	0%	0%	10%	0%	0%	0%	0%	10%	\$20.00	\$22
MDB	Residential Density	-10%	0%	0%	10%	-30%	0%	0%	5%	-25%	\$50.00	\$38
	Non-Residential Density	0%	0%	0%	10%	0%	0%	10%	0%	20%	\$20.00	\$24
MDC	Residential Density	-10%	0%	0%	5%	-30%	0%	0%	0%	-35%	\$50.00	\$33
	Non-Residential Density	0%	0%	0%	5%	0%	0%	10%	0%	15%	\$20.00	\$23
MDD	Residential Density	0%	0%	0%	20%	0%	0%	0%	15%	35%	\$50.00	\$68
	Non-Residential Density	0%	0%	0%	20%	0%	0%	0%	0%	20%	\$20.00	\$24
MDE	Non-Residential Density	0%	0%	0%	10%	0%	0%	0%	0%	10%	\$20.00	\$22
MDF	Residential Density	-10%	0%	0%	10%	-20%	-10%	0%	0%	-30%	\$50.00	\$35
	Non-Residential Density	0%	0%	0%	10%	0%	-10%	10%	0%	10%	\$20.00	\$22
MDG	Residential Density	0%	0%	0%	15%	-15%	-5%	0%	0%	-5%	\$50.00	\$48
	Non-Residential Density	0%	0%	0%	15%	0%	-5%	0%	0%	10%	\$20.00	\$22
MDH	Residential Density	0%	0%	0%	20%	0%	0%	0%	0%	20%	\$50.00	\$60
	Non-Residential Density	0%	0%	0%	20%	-10%	0%	0%	0%	10%	\$20.00	\$22
MDI	Residential Density	-10%	0%	0%	10%	-30%	-5%	0%	0%	-35%	\$50.00	\$33
	Non-Residential Density	0%	0%	0%	10%	0%	-5%	10%	0%	15%	\$20.00	\$23
MDJ	Residential Density	0%	0%	0%	15%	0%	-10%	0%	5%	10%	\$50.00	\$55
	Non-Residential Density	0%	0%	0%	15%	0%	-10%	0%	0%	5%	\$20.00	\$21
MDK	Residential Density	0%	0%	0%	20%	0%	-15%	0%	10%	15%	\$50.00	\$58
	Non-Residential Density	0%	0%	0%	20%	-5%	-15%	0%	0%	0%	\$20.00	\$20

Benchmark Land Value Adjustment Grid

Film Studio (McCleary District) – Lower Values

Value Adjustment Grid												
		View, Light and Noise Impacts of Blvd.	View and Noise Impacts of Rail Corridor	Proximity to Adverse Land Uses	Transit Accessibility	Buildable Density Quantum	Block Size, Shape and Configuration	Visibility	Water/Park Views/Access	Effective Adjustment (additive)	Unadjusted Lower Land Density Value (\$ psf)	Adjusted Lower Land Density Value (\$ psf)
MDA	Residential Density	0%	0%	0%	10%	-15%	0%	0%	10%	5%	\$35.00	\$37
	Non-Residential Density	0%	0%	0%	10%	0%	0%	0%	0%	10%	\$17.50	\$19
MDB	Residential Density	-10%	0%	0%	10%	-30%	0%	0%	5%	-25%	\$35.00	\$26
	Non-Residential Density	0%	0%	0%	10%	0%	0%	10%	0%	20%	\$17.50	\$21
MDC	Residential Density	-10%	0%	0%	5%	-30%	0%	0%	0%	-35%	\$35.00	\$23
	Non-Residential Density	0%	0%	0%	5%	0%	0%	10%	0%	15%	\$17.50	\$20
MDD	Residential Density	0%	0%	0%	20%	0%	0%	0%	15%	35%	\$35.00	\$47
	Non-Residential Density	0%	0%	0%	20%	0%	0%	0%	0%	20%	\$17.50	\$21
MDE	Non-Residential Density	0%	0%	0%	10%	0%	0%	0%	0%	10%	\$17.50	\$19
MDF	Residential Density	-10%	0%	0%	10%	-20%	-10%	0%	0%	-30%	\$35.00	\$25
	Non-Residential Density	0%	0%	0%	10%	0%	-10%	10%	0%	10%	\$17.50	\$19
MDG	Residential Density	0%	0%	0%	15%	-15%	-5%	0%	0%	-5%	\$35.00	\$33
	Non-Residential Density	0%	0%	0%	15%	0%	-5%	0%	0%	10%	\$17.50	\$19
MDH	Residential Density	0%	0%	0%	20%	0%	0%	0%	0%	20%	\$35.00	\$42
	Non-Residential Density	0%	0%	0%	20%	-10%	0%	0%	0%	10%	\$17.50	\$19
MDI	Residential Density	-10%	0%	0%	10%	-30%	-5%	0%	0%	-35%	\$35.00	\$23
	Non-Residential Density	0%	0%	0%	10%	0%	-5%	10%	0%	15%	\$17.50	\$20
MDJ	Residential Density	0%	0%	0%	15%	0%	-10%	0%	5%	10%	\$35.00	\$39
	Non-Residential Density	0%	0%	0%	15%	0%	-10%	0%	0%	5%	\$17.50	\$18
MDK	Residential Density	0%	0%	0%	20%	0%	-15%	0%	10%	15%	\$35.00	\$40
	Non-Residential Density	0%	0%	0%	20%	-5%	-15%	0%	0%	0%	\$17.50	\$18